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 2 A Limited Liability Partnership
 3 Including Professional Corporations
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 dba Integretel
 9

10 UNITED STATES BANKRUPTCY COURT
 11 NORTHERN DISTRICT OF CALIFORNIA
 12 SAN JOSE DIVISION

13 In re Case No. 07-52890 ASW
 14 THE BILLING RESOURCE, dba Integretel, a Chapter 11
 15 California corporation,
 16 Debtor.
 17 Tax ID: 33-0289863

**DEBTOR'S MEMORANDUM OF POINTS
AND AUTHORITIES IN SUPPORT OF
USE OF CASH COLLATERAL ON A
FURTHER INTERIM BASIS INCLUDING
APPROVAL OF FIRST AMENDED
PAYMENTONE STIPULATION
THROUGH AND INCLUDING
NOVEMBER 16, 2007 AND OMNIBUS
REPLY TO OBJECTIONS TO DEBTOR'S
CASH COLLATERAL MOTION**

21 Date: November 2, 2007
 22 Time: 1:00 p.m.
 23 Place: United States Bankruptcy Court
 24 Judge: Hon. Arthur S. Weissbrodt
 Courtroom: 3020

1 The above-captioned debtor and debtor in possession, The Billing Resource, dba
2 Integretel, a California corporation (the "Debtor"), hereby files this Memorandum of Points and
3 Authorities in support of the Debtor's use of cash collateral on a further interim basis through and
4 including November 16, 2007, or as soon thereafter as the Court and counsel are available for a
5 further hearing on the motion, and Omnibus Reply (the "Reply") to various objections filed on or
6 about October 26, 2007 (the "Objections") to the Debtor's Cash Collateral Motion.¹

7 Of the Debtor's numerous creditors, only three entities filed objections to the Debtor's
8 continued motion for use of cash collateral beyond November 2, 2007. Each of these three
9 remaining objections was previously made to the Court, previously addressed by the Debtor, and
10 properly overruled by the Court.

11 Consistent with the Court's prior determinations, good cause exists to grant the Debtor's
12 continued use of cash collateral *for the very limited period of the next two weeks, through and*
13 *including November 16, 2007.* The Official Unsecured Creditors' Committee (the "Committee")
14 supports the Debtor's request. Granting the Debtor this further breathing spell will provide the
15 Debtor the needed time to meet with the Committee to further explore the terms for a possible plan
16 of reorganization contemplating a continuation of business operations, with the goal of allowing
17 the Debtor to exit bankruptcy as quickly as possible, while also maximizing value to unsecured
18 creditors.

ARGUMENT

A. The Committee Supports the Debtor's Further Interim Use of Cash Collateral Until November 16, 2007.

The Debtor filed its voluntary bankruptcy petition six weeks ago on September 16, 2007.

23 ¹ The budget corresponding to the Debtor's requested continued interim use of cash collateral
24 through and including November 16, 2007 is the budget which was attached as Exhibit B to the
25 Declaration of Paul Weber dated October 11, 2007 (the "Debtor's Budget"), a copy of which
26 budget was also attached as Exhibit B to the "Notice of Signing of Further Order Approving
27 Interim Use of Cash Collateral and Granting Replacement Liens and Approving First Amended
Stipulation With PaymentOne Corporation Regarding Use of Cash Collateral and Adequate
Protection on an Interim Basis Through and Including November 2, 2007." A revised cash
collateral order in substantially the form the Debtor currently intends to present to the Court at the
November 2 hearing is attached hereto as Exhibit 1.

1 On September 26, 2007, the Court entered its "Order Approving Interim Use of Cash Collateral
 2 and Granting Replacement Liens and Approving First Amended Stipulation with PaymentOne
 3 Corporation Regarding Use of Cash Collateral and Adequate Protection on an Interim Basis."

4 On October 1, 2007, the Office of the United States Trustee appointed the Official
 5 Committee of Unsecured Creditors (the "Committee") in this case pursuant to section 1102(a)(2).
 6 On October 10, 2007, the Committee participated in an initial face-to-face meeting with the
 7 Debtor and its representatives for which several Committee members flew across the country and
 8 for which others attended by telephone. A quorum of the Committee was present. Prior to and at
 9 the October 10 meeting, the Debtor provided the Committee with financial information including
 10 projections, and various other types of information. Following the October 10 meeting the Debtor
 11 has provided the Committee with additional information.

12 At the October 10 meeting, it was agreed that the Committee would consent to the
 13 Debtor's continued use of cash collateral on the terms proposed by the Debtor in its budget on an
 14 interim basis for a period of two to three weeks. The Debtor and the Committee entered into a
 15 stipulation regarding the Debtor's use of cash collateral on an interim basis through and including
 16 November 2, 2007. During that time it was contemplated that the Debtor would negotiate with the
 17 Committee a term sheet for a plan of reorganization contemplating a continuation of business
 18 operations with the goal of allowing the Debtor to exit bankruptcy as quickly as possible, while
 19 also maximizing value to unsecured creditors.

20 On October 16, 2007, the Court signed its "Further Order Approving Interim Use of Cash
 21 Collateral and Granting Replacement Liens and Approving First Amended Stipulation with
 22 PaymentOne Corporation Regarding Use of Cash Collateral and Adequate Protection on an
 23 Interim Basis Through and Including November 2, 2007."

24 Due to scheduling issues, the Debtor and the Committee have not yet had a subsequent
 25 meeting to further explore with more concrete terms for a possible plan of reorganization. The
 26 Debtor and the Committee have scheduled such a meeting in the immediate future. The
 27 Committee has consented to the Debtor's continued use of cash collateral in its current budget on
 28 an interim basis for a period of two weeks.

1 Continued use of cash collateral makes eminent sense. By continuing to operate, the
 2 Debtor is able to deal with the LECs in the ordinary course of business and thus avoids offsets,
 3 increases in reserves claimed by LECs or delays in payments. The Debtor is only entity that can
 4 effectively perform this function. In addition, the Debtor's customers need the Debtor to continue
 5 to process billing transactions. A key component for any recovery to creditors in this bankruptcy
 6 case will be the ability to establish the amount of each unsecured claim, which is an extremely
 7 complicated function which the Debtor is by far the best, and likely the only, party able to quickly
 8 and properly perform. The Debtor also has the necessary institutional knowledge required to
 9 negotiate with New York and Tennessee tax claimants. In addition, without continued operations
 10 the subsidiary PaymentOne is out of business, and its continued operations are important to the
 11 Debtor and its creditors. Moreover, as a majority-owned subsidiary PaymentOne is a valuable
 12 asset of the bankruptcy estate. Likewise, without continued operations, Inmate Calling Solutions'
 13 business is severely threatened, and its operations are also important to the Debtor. Granting the
 14 Debtor the requested further interim use of cash collateral for the next two weeks, through and
 15 including November 16, 2007, or as soon thereafter as the Court and counsel are available for a
 16 further hearing on the motion, is both the prudent course of action and in the best interest of the
 17 Debtor's bankruptcy estate.

18 **B. PaymentOne Supports the Debtor's Further Interim Use of Cash Collateral Until
 19 November 16, 2007.**

20 PaymentOne has consented to the Debtor's further interim use of cash collateral through
 21 and including November 16, 2007, or as soon thereafter as the Court and counsel are available for
 22 a further hearing on the motion. PaymentOne also agrees that the First Amended PaymentOne
 23 Stipulation remains in effect for the interim period, except as revised in the proposed Order
 24 approving such interim use by the Debtor.

25 **C. Personal Voice Does Not Have a Valid Security Interest Against the Debtor and, In
 26 Any Event, Is Adequately Protected by the Relief Afforded to It.**

27 Personal Voice filed a renewed objection to the Debtor's continued motion to use cash
 28 collateral. Personal Voice's renewed objection is the same as its prior objection filed on October

1 10 and the arguments raised by Personal Voice at the October 15 Interim Hearing.

2 As previously set forth in the Debtor's Motion, Personal Voice does not have a security
 3 interest in the Debtor's cash collateral because Personal Voice's alleged security interest is not in
 4 any assets of the Debtor, but instead purports simply to be in amounts to which Personal Voice
 5 may be entitled under its contract with the Debtor. Similarly, Personal Voice does not possess a
 6 security interest in the Debtor's cash collateral based upon an alleged security interest in any
 7 reserves under the parties' contract because there were no segregated reserves. As further noted in
 8 the Motion, irrespective of Personal Voice's lack of a security interest in any of the Debtor's assets
 9 or cash collateral, the Debtor proposes to give Personal Voice a replacement lien on the same
 10 assets, if any, that it had an interest in pre-petition.

11 In addition to these prior arguments made by Debtor in the Motion, there are further
 12 reasons why Personal Voice does not have a perfected security interest in any of the Debtor's
 13 assets, including "Net Proceeds" or cash collateral. First, Personal Voice's UCC financing
 14 statement, which was filed March 12, 2002, lapsed on March 12, 2007 (over 6 months before
 15 Debtor filed bankruptcy), and Personal Voice did not file a continuation statement. Under UCC
 16 Sections 9515(a) and (c), the effectiveness of a filed financing statement lapses 5 years after filing
 17 unless before lapsing, a continuation statement is filed. Because Personal Voice failed to file a
 18 continuation statement, its security interest no longer is perfected and Personal Voice is not
 19 entitled to adequate protection. 11 U.S.C. § 544(a) (trustee or debtor in possession is senior to
 20 unperfected security interest); In re: 1726 Washington, D.C. Partners, 120 B.R. 1, 2 (Bankr.
 21 D.D.C. 1990) (rents are not cash collateral where secured party's lien was unperfected); In re:
 22 Scottsdale Medical Pavilion, 159 B.R. 295, 298 (9th Cir. BAP 1993) (because an unperfected
 23 security interest is subject to avoidance under Bankruptcy Code Section 544, such interest is not
 24 entitled to much in the way of adequate protection).

25 Also, what Personal Voice purported to take a security interest in were not "all accounts
 26 receivable of the [debtor]" but instead were "Net Proceeds," which are not an asset of the Debtor,
 27 Personal Voice, or anyone else. In the contract between Debtor and Personal Voice, "Net
 28 Proceeds" is simply a method to calculate the cash consideration to which Personal Voice is

1 entitled under the contract. Personal Voice's attempted security interest in "Net Proceeds" is
 2 analogous to a seller of an asset attempting to take a security interest in the purchase price to be
 3 determined under a formula and paid at a later time (as opposed to taking a security interest in the
 4 asset itself). Personal Voice has only an unsecured claim against Debtor for Net Proceeds.²

5 Personal Voice's renewed objection simply restates its prior arguments which have been
 6 previously addressed and properly rejected by the Court. Personal Voice has not provided any
 7 support for a different result. Nor has Personal Voice met its burden of proof on the issue of the
 8 validity, priority and extent of its alleged interest in the Debtor's property. 11 U.S.C. § 363(p).

9 Personal Voice simply does not possess a valid, perfected and enforceable security interest
 10 in the Debtor's cash collateral. Notwithstanding that, the Debtor will provide Personal Voice with
 11 a replacement lien of the same type and character which it possessed pre-petition. Personal Voice
 12 is entitled to no more.

13 **F. The Debtor Has Adequately Addressed the U.S. Trustee's Concern.**

14 The U.S. Trustee raised a concern about the Motion in connection with a portion of the
 15 carve-out for professionals contained in the First Amended PaymentOne Stipulation and its effect
 16 as to any subsequently appointed trustee or its professionals. The Debtor has addressed with
 17 PaymentOne the U.S. Trustee's objection, and PaymentOne agreed to change the carve-out
 18 language contained in the proposed order in a manner which the Debtor believes addresses and
 19 resolves the U.S. Trustee's objection. PaymentOne has agreed during the continued interim period
 20

21 ² Personal Voice's opposition asserts that accounts receivable generated from Personal Voice
 22 providing services to end users remained property of Personal Voice and were not transferred to
 23 Debtor when Personal Voice submitted Billing Transactions to Debtor. This assertion is belied by
 24 the facts. Nothing in the agreement between Debtor and Personal Voice states that Personal Voice
 25 is maintaining ownership of anything. In fact, as noted by Personal Voice in its opposition,
 26 Personal Voice attempted to take a security interest in "Personal Voice Receivables", indicating
 27 that the parties believed that Personal Voice did not own any receivables generated. The lapsed
 28 financing statement does not indicate that it is "precautionary". If the parties had believed that
 Personal continued to own receivables, Personal Voice would not have attempted to obtain a
 security interest from Debtor. Moreover, as the Debtor has previously stated, it is common
 knowledge in this industry that the Debtor would be selling the billing transaction receivables to
 the LECs and that the Debtor's contracts with the LECs are structured as the purchase by the LECs
 of the Debtor's accounts receivable, which obviously could not be done if Personal Voice retained
 title to the receivables. See Declaration of Ken Dawson dated October 11.

1 until November 16 to a full carveout to professionals for the Debtor, the Committee and any
 2 subsequently appointed trustee – retroactive to the filing of this case.

3 **H. The Receiver's Arguments Are and Were Appropriately the Subject of the Adversary
 4 Proceeding Hearing, Not the November 2 Cash Collateral Motion Hearing.**

5 The Receiver was appointed as receiver for two of the Debtor's prior customers. In
 6 connection with a prior hearing on the Debtor's cash collateral motion, with the stipulation of the
 7 Debtor, a segregated, blocked account debtor in possession bank account in the Debtor's name was
 8 established into which the Debtor deposited approximately \$1.7 million, which funds cannot be
 9 moved absent further order of this Court (the "Blocked Account"). In connection with the October
 10 15 Interim Hearing, the Debtor demonstrated the need for use of the funds in the Blocked
 11 Account.³ Therefore, the Debtor, with the support of the Committee, asked the Court to unblock
 12 the Blocked Account. These issues are being addressed in adversary proceeding 07-5156 (the
 13 "Adversary Proceeding") commenced in this case. This Court properly found in its October 16,
 14 2007 findings that the FTC's and the Receiver's objections to the Debtor's continued use of cash
 15 collateral would be considered resolved in the context of the Adversary Proceeding. The Debtor
 16 filed further pleadings for the October 17 hearing in the Adversary Proceeding as to why the Court
 17 should issue a preliminary injunction against the Receiver and the FTC, and in those pleadings the
 18 Debtor demonstrated why the Court should properly unblock the account and permit the Debtor to
 19 use the funds contained therein in its operations and reorganization efforts. The Receiver and the
 20 FTC opposed such relief, and the Court held the October 17 hearing in the Adversary Proceeding
 21 on those issues

22 The Debtor has previously shown that the Receiver is not a secured creditor of the Debtor,
 23 has no security interest in the Debtor's assets, is entitled to no greater status than the Debtor's other
 24 unsecured creditors, and is not entitled to adequate protection. In his latest opposition the
 25 Receiver again renews the same arguments he has made throughout this case. However, those

26 ³ See The "Alternative Budget" attached to the Declaration of Paul Weber dated October 11, 2007;
 27 Debtor's October 11 Omnibus Reply to Cash Collateral Objections at 16:4-17. The Blocked
 28 Account funds are needed and the Debtor should be allowed to reorganize without expending
 substantial legal fees to defend the Florida Action.

1 arguments properly belong in the Adversary Proceeding and should be considered therein, not in
 2 the context of the Debtor's motion to use cash collateral on a further interim basis. The Receiver
 3 himself acknowledges this in his prior objection. See Receiver October 10 Objection at 2:13-17.
 4 The Receiver's arguments in his latest objection were and should have been the subject of the
 5 October 17 hearing in the Adversary Proceeding, not the November 2 hearing on the Debtor's
 6 motion to use cash collateral on a further interim basis.

7 The Receiver claims that the Debtor has never established that this Court has jurisdiction
 8 over approximately \$1.7 million which is the subject of the dispute between the Debtor and the
 9 Receiver. Not so. This Court has exclusive jurisdiction over all of the Debtor's assets pursuant to
 10 28 U.S.C. section 1334(e)(1). The Blocked Account is irrelevant to the Court's jurisdiction over
 11 the Debtor's assets as it was created with the express understanding of all parties that doing so was
 12 not an admission that these were the "Subject Funds" claimed by the Receiver.

13 The Receiver argues that the Debtor's use of cash collateral should be limited because the
 14 Debtor purportedly represented to the Eleventh Circuit Court of Appeals that "it will hold the
 15 [\$1.7 million in funds] and not dissipate them." See Receiver's October 26 Objection at 4:8-9.
 16 The Receiver's argument is nothing more than a mischaracterization, as what the Debtor actually
 17 wrote was that the status quo should be maintained and that the status quo is "that enforcement of
 18 the Omnibus Order is stayed and that [the Debtor] still holds the disputed funds." The status quo
 19 is and was the Debtor's possession and use of all of its money and nothing the Debtor said to the
 20 Eleventh Circuit is inconsistent with the Debtor using its money.

21 The Receiver's arguments were addressed at the October 17 Adversary Proceeding hearing,
 22 and need not be addressed again at the November 2 cash collateral hearing. In any event, the
 23 Receiver's arguments are incorrect, and should be overruled.

24 **I. Similarly, the FTC's Opposition Is Not Properly the Subject of the November 2 Cash
 25 Collateral Motion Hearing, But Rather the Subject of the Adversary Proceeding
 26 Hearing and Has Been Addressed and Should be Resolved in that Context.**

27 The FTC also filed a limited objection to the Debtor's continued use of cash collateral. For
 28 the same reasons as just discussed with respect to the Receiver's objection, the FTC's arguments

1 are not properly the subject of the November 2 cash collateral hearing, but instead are and were
2 properly the subject of the Adversary Proceeding and the October 17 hearing therein, and were
3 and will be considered by the Court in that context. The Debtor demonstrated at the October 17
4 hearing in the Adversary Proceeding that a stay of the FTC action should be granted to eliminate
5 the need to spend extensive funds defending that action. Nothing in the FTC's latest objection
6 demonstrates why a two week use of cash collateral supported by the Committee should not be
7 granted.

CONCLUSION

9 For the reasons set forth herein as well as the Debtor's other cash collateral motion papers,
10 good cause exists to approve the Debtor's use of cash collateral, including approval of the First
11 Amended PaymentOne Stipulation, for a further interim period through and including November
12 16, 2007, or as soon thereafter as the Court and counsel are available for a further hearing on the
13 motion. If the Debtor is not permitted to use cash collateral, the result will be the forced cessation
14 of the Debtor's business as well as the forced closure of its most valuable asset, PaymentOne.
15 Such a result would be not be in the best interests of the Debtor's creditors or its bankruptcy estate.

16 The Committee supports the Debtor's use of cash collateral on an interim basis through and
17 including November 16, 2007. Granting the Debtor's use of its cash collateral on an interim basis
18 will permit time the Debtor to meet with the Committee regarding a possible plan of
19 reorganization contemplating a continuation of business operations, with the goal of allowing the
20 Debtor to exit bankruptcy as quickly as possible, while also maximizing value to unsecured
21 creditors.

22 | Dated: October 30, 2007 Respectfully submitted,

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

By

/s Jeffrey K. Rehfeld

JEFFREY K. REHFELD
Attorneys for Debtor The Billing Resource, dba
Integretel

EXHIBIT 1

1 SHEPPARD, MULLIN, RICHTER &
 2 HAMPTON LLP
 3 A Limited Liability Partnership
 Including Professional Corporations
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 Attorneys for Debtor and Debtor-in-
 Possession
 The Billing Resource, dba Integretel

11 UNITED STATES BANKRUPTCY COURT
 12 NORTHERN DISTRICT OF CALIFORNIA
 13 SAN JOSE DIVISION

14
 15 In re:) Case No. 07-52890 ASW
 16 THE BILLING RESOURCE, dba) Chapter 11
 INTEGRETEL, a California corporation)
 17 Debtor.) **FURTHER ORDER APPROVING**
) **INTERIM USE OF CASH COLLATERAL**
) **AND GRANTING REPLACEMENT**
) **LIENS AND APPROVING FIRST**
) **AMENDED STIPULATION WITH**
) **PAYMENTONE CORPORATION**
) **REGARDING USE OF CASH**
) **COLLATERAL AND ADEQUATE**
) **PROTECTION ON A FURTHER**
) **INTERIM BASIS THROUGH AND**
) **INCLUDING NOVEMBER 16, 2007**
 23) Date: November 2, 2007
 24) Time: 1:00 p.m.
 25) Place: United States Bankruptcy Court
 26) 280 South First Street
 27) San Jose, California
 Judge: Hon. Arthur S. Weissbrodt
 Courthouse: 3020

1 The Billing Resource, dba Integretel, a California corporation (the "Debtor") filed
 2 its "Emergency Motion For Use Of Cash Collateral And Granting Replacement Liens" (the
 3 "Motion") in the above-referenced bankruptcy case (the "Bankruptcy Case"). Capitalized terms
 4 not otherwise defined herein shall have the meanings ascribed to them in the Motion. A continued
 5 interim hearing (the "September 26 Interim Hearing") with respect to the Motion was previously
 6 held on September 26, 2007 before the undersigned United States Bankruptcy Judge at the above-
 7 noted place. At the September 26 Interim Hearing, counsel for the Debtor presented to the Court a
 8 "First Amended Stipulation With PaymentOne Corporation Regarding Use Of Cash Collateral
 9 And Adequate Protection" (the "First Amended PaymentOne Stipulation"), a blacklined version of
 10 which the Debtor had previously presented to the Court at an initial hearing held on September 21,
 11 2007, and requested that the Court approve the First Amended PaymentOne Stipulation on an
 12 interim basis at the September 26 Interim Hearing.

13 Pursuant to the Motion, as revised in light of the First Amended PaymentOne
 14 Stipulation, the pleadings filed by the Debtor in support of the Motion prior to the September 26
 15 Interim Hearing and the statements made at the September 26 Interim Hearing, and Bankruptcy
 16 Code Sections 105, 361, and 363, the Court at the September 26 Interim Hearing entered its
 17 "Order Approving Interim Use Of Cash Collateral And Granting Replacement Liens And
 18 Approving First Amended Stipulation With PaymentOne Corporation Regarding Use Of Cash
 19 Collateral And Adequate Protection On An Interim Basis" (the "September 26 Interim Order"). In
 20 connection with the September 26 Interim Hearing, the Court also orally approved certain
 21 stipulations regarding the Debtor's interim use of cash collateral between the Debtor and the
 22 following entities: (a) POL, Inc.; (b) Public Communication Services, Inc.; and (c) David R.
 23 Chase, as Receiver for certain entities (the "Receiver").

24 A further continued interim hearing (the "October 15 Interim Hearing") with
 25 respect to the Motion was previously held on October 15, 2007 before the undersigned United
 26 States Bankruptcy Judge at the above-noted place. Prior to the hearing, the Debtor and the
 27 Official Committee of Unsecured Creditors (the "Committee") filed a stipulation (the "Committee
 28

1 Support Stipulation") stipulating to the to the Debtor's use of cash collateral on a further interim
 2 basis through and including November 2, 2007, or as soon thereafter as the Court and counsel are
 3 available for a further hearing on the Motion. Pursuant to the Motion, as revised in light of the
 4 First Amended PaymentOne Stipulation, the pleadings filed by the Debtor in support of the
 5 Motion prior to the October 15 Interim Hearing and the statements made at the October 15 Interim
 6 Hearing, and Bankruptcy Code Sections 105, 361, and 363, the Court on October 16 Interim
 7 Hearing signed its "Further Order Approving Interim Use Of Cash Collateral And Granting
 8 Replacement Liens And Approving First Amended Stipulation With PaymentOne Corporation
 9 Regarding Use Of Cash Collateral And Adequate Protection On An Interim Basis Through And
 10 Including November 2, 2007" (the "October 15 Interim Order").

11 A further interim hearing (the "November 2 Interim Hearing") with respect to the
 12 Motion seeking further interim approval of the Debtor's use of cash collateral through and
 13 including November 16, 2007, or as soon thereafter as the Court and counsel are available for a
 14 further hearing on the Motion, including further interim approval of the First Amended
 15 PaymentOne Stipulation duly came on for hearing before the undersigned United States
 16 Bankruptcy Judge at the above-noted place and time set forth on the caption page of this Order.
 17 Appearances were as noted in the record at the November 2 Interim Hearing.

18 Prior to the November 2 Interim Hearing, the Debtor and the Committee filed a
 19 stipulation (the "Further Committee Support Stipulation") further stipulating to the to the Debtor's
 20 use of cash collateral in accordance with the "Budget" (as such term is defined in the following
 21 paragraph) on a further interim basis through and including November 16, 2007, or as soon
 22 thereafter as the Court and counsel are available for a further hearing on the Motion.

23 Pursuant to the Motion, as further revised by the pleadings filed by the Debtor in
 24 support of the Motion prior to the September 26 Interim Hearing, the October 15 Interim Hearing
 25 and the November 2 Interim Hearing, including without limitation the Notice of the November 2
 26 Interim Hearing, the Notice of Signing of Order regarding the October 15 Interim Order, the
 27 Declaration of Paul Weber dated October 11, 2007 in support of the Debtor's October 15 Interim
 28

1 Hearing on Cash Collateral (the "October 11 Weber Declaration") including the revised budget
 2 attached as Exhibit B to the October 11 Weber Declaration (the "Budget"), the Debtor's reply to
 3 the oppositions to the Motion and in support of the Motion, the statements made at the November
 4 2 Interim Hearing, and Bankruptcy Code Sections 105, 361, and 363, the Debtor seeks an order
 5 from the Court: (1) authorizing the Debtor to use certain assets of the Debtor which constitute
 6 "cash collateral" as defined in Bankruptcy Code section 363(a) (such assets of the Debtor shall be
 7 referred to herein as the "Cash Collateral") on a an interim basis through and including November
 8 16, 2007, or as soon thereafter as the Court and counsel are available for a further hearing on the
 9 Motion; (2) granting approval of the First Amended PaymentOne Stipulation and the terms and
 10 conditions set forth therein as revised in this Order on an interim basis through and including
 11 November 16, 2007, or as soon thereafter as the Court and counsel are available for a further
 12 hearing on the Motion; and (3) granting PaymentOne Corporation ("PaymentOne"), POL, Inc.
 13 ("POL")¹, Network Telephone Services, Inc. ("Network Telephone"), Personal Voice, Inc.
 14 ("Personal Voice") and Public Communication Services, Inc. ("Public Communication")
 15 (collectively, the "Alleged Cash Collateral Secured Creditors"), as adequate protection for the use
 16 by the Debtor of Cash Collateral in which the Alleged Cash Collateral Secured Creditors have an
 17 alleged interest, a replacement lien upon certain of the Debtor's personal property as set forth in
 18 this Order (and in the case of PaymentOne as set forth in the First Amended PaymentOne
 19 Stipulation), but only to the extent each respective Alleged Cash Collateral Secured Creditors
 20 possessed valid, perfected and enforceable prepetition liens in the Cash Collateral; and (4) the
 21

22

23 ¹ The following entities are collectively referred to in this Order as "POL": Access Programs, Inc.;
 24 Action Date Connections, Inc.; Benchmark Communications, Inc.; Blazen Communications, Inc.;
 25 Call Transfer Services, Inc.; Cassiopeia Group, Inc.; Clear Command Telecommunications, Inc.;
 26 Country Club Network Services, Inc.; Date Finders Singles, Inc.; Enhanced Phone Services, Inc.;
 27 Inovate Telecommunications, Inc.; Invesco Telecommunications, Inc.; Listen Com. Inc.; LJ
 28 Internet, Inc.; Love Dating Network, Inc.; Lunar Tel, Inc.; Messenger Com, Inc.; Omnipresent
 Digital, Inc.; Palisade Telcom, Inc.; POL, Inc.; Psychic, Inc.; Rebound Communications, Inc.;
 Singles Date Match, Inc.; Special Comtel, Ltd.; Spring Telecom, Inc.; Vesstone
 Telecommunications, Inc.; Voicemail, Inc.; Voice Services, Ltd.; Vortex Communications &
 Telephone, Inc.; Wonder Network, Inc.

1 setting of a final hearing on the Motion including approval of the First Amended PaymentOne
 2 Stipulation (the "Final Hearing") pursuant to Rule 4001 of the Federal Rules of Bankruptcy
 3 Procedure (the "Bankruptcy Rules").

4 The Court, having reviewed and considered the Motion, and all pleadings filed in
 5 support thereof including without limitation the Notice of the Motion, the Introductory Statement
 6 filed in support of the Motion, the Declaration of Ken Dawson filed in support of the Motion, the
 7 Debtor's Stipulation with PaymentOne Corporation regarding the Debtor's use of Cash Collateral
 8 which was attached as an exhibit to the Motion, the First Amended PaymentOne Stipulation
 9 presented at the Interim Hearing, the two Declarations of Evan Meyer in support of the Motion
 10 dated September 24, 2007, the Declaration of Joe Lynam in support of the Motion, the Notice of
 11 the October 15 Interim Hearing, the Notice of Entry of Order regarding the Interim Order, the
 12 October 11 Weber Declaration including the Budget, the Supplemental Declaration of Ken
 13 Dawson filed in support of the Motion dated October 11, 2007 (the "October 11 Dawson
 14 Declaration"), the Committee Support Stipulation, the Notice of the November 2 Interim Hearing,
 15 the Notice of Signing of Order regarding the October 15 Interim Order, the Further Committee
 16 Support Stipulation, the oppositions to the Motion filed in connection with the November 2
 17 Interim Hearing, including the oppositions filed by the Receiver, the Federal Trade Commission
 18 (the "FTC") and Personal Voice (collectively, the foregoing oppositions and joinder the
 19 "Oppositions") as well as any other oppositions filed with the Court prior to the November 2
 20 Interim Hearing or raised at the November 2 Interim Hearing, the reply to the oppositions and in
 21 support of the Motion including the reply filed by the Debtor, the other matters of record in this
 22 Bankruptcy Case, the arguments and representations of counsel at the November 2 Interim
 23 Hearing, having completed both the September 26 Interim hearing, the October 15 Interim
 24 Hearing, and the November 2 Interim Hearing in accordance with Rule 4001 of the Bankruptcy
 25 Rules, and good cause appearing therefor,

27 **THE COURT HEREBY FINDS AND CONCLUDES AS FOLLOWS:**

28 1. The Debtor filed a voluntary petition for relief under Chapter 11 of the

1 Bankruptcy Code on September 16, 2007 (the "Petition Date"). No trustee or examiner has been
 2 appointed in this case, and the Debtor is authorized to operate its business as a debtor-in-
 3 possession.

4 2. The Court has jurisdiction over these proceedings and the parties and
 5 property affected hereby pursuant to 28 U.S.C. §§ 157(b) and 1334. This is a core proceeding
 6 within the meaning of 28 U.S.C. § 157(b)(2).

7 3. Pursuant to §§ 102(1) and 363 of the Bankruptcy Code and Bankruptcy
 8 Rule 4001 including Bankruptcy Rule 4001(b) and (d), the Debtor has provided such notice as was
 9 practicable and appropriate under the circumstances of the time, place and nature of the November
 10 2 Interim Hearing and opportunity to object to the entry of this Order to among others: (1) the
 11 Alleged Cash Collateral Secured Creditors; (2) each creditor on the List of 30 Largest Creditors
 12 filed pursuant to Bankruptcy Rule 1007(d); (3) the Office of the United States Trustee; (4) other
 13 significant parties in interest, including the Receiver and the FTC; and (5) those parties who had
 14 filed with the Court filed a request for service pursuant to Bankruptcy Rule 2002. The foregoing
 15 notice is adequate and sufficient in light of the nature of the relief requested in the Motion as
 16 revised.

17 4. The Debtor must have the use of cash generated from the Debtor's assets
 18 including without limitation the Debtor's prepetition assets which each of the Alleged Cash
 19 Collateral Secured Creditors claims to be its Cash Collateral in order to continue to operate and
 20 preserve the value of Debtor's estate.

21 5. Unless the Debtor is permitted to use the Cash Collateral, the Debtor's
 22 ability to operate its business, pay expenses of this Bankruptcy Case, and to preserve and maintain
 23 the property and assets of its estate and to reorganize will be immediately and irreparably
 24 jeopardized, and the Debtor's use of the Cash Collateral is necessary to avoid immediate and
 25 irreparable harm to the Debtor and the Debtor's bankruptcy estate.

26 6. The level of adequate protection for the Alleged Cash Collateral Secured
 27 Creditors proposed to be provided by the Debtor in the Motion as revised and as more particularly
 28 set forth below, in return for the use of the Cash Collateral, is reasonable.

1 7. Good cause has been shown for entry of this Order, including without
 2 limitation the approval of the First Amended PaymentOne Stipulation and the terms and
 3 conditions set forth therein as revised by this Order on an interim basis through and including
 4 November 16, 2007, or as soon thereafter as the Court and counsel are available for a further
 5 hearing on the Motion. Among other things, entry of this Order will preserve each of the Alleged
 6 Cash Collateral Secured Creditor's position vis-a-vis the Debtor and other creditors of the estate so
 7 that each of the respective Alleged Cash Collateral Secured Creditor's position vis-a-vis the Debtor
 8 and such other creditors is neither diminished nor enhanced by Debtor's use of Cash Collateral.

9 8. To the extent that any of the foregoing findings constitute or include
 10 conclusions of law, they shall be so deemed.

11 **ACCORDINGLY, IT IS HEREBY ORDERED AS FOLLOWS:**

12 1. The Motion, as amended including by the relief sought in connection with
 13 PaymentOne, is approved on a further interim basis through and including November 16, 2007, or
 14 as soon thereafter as the Court and counsel are available for a further hearing on the Motion, and
 15 the First Amended PaymentOne Stipulation and terms and conditions set forth therein as revised
 16 by this Order are approved on a further interim basis through and including November 16, 2007,
 17 or as soon thereafter as the Court and counsel are available for a further hearing on the Motion.
 18 Use of Cash Collateral as set forth in the Budget which is attached as Exhibit B to the October 11
 19 Weber Declaration is approved on a further interim basis through and including November 16,
 20 2007, or as soon thereafter as the Court and counsel are available for a further hearing on the
 21 Motion. Notwithstanding anything to the contrary contained in the First Amended PaymentOne
 22 Stipulation, no super-priority administrative expense claim pursuant to Bankruptcy Code Section
 23 507(b) is granted or provided to PaymentOne or to any other Alleged Cash Collateral Secured
 24 Creditor on a further interim basis through and including November 16, 2007, or as soon thereafter
 25 as the Court and counsel are available for a further hearing on the Motion, provided, however, that
 26 such claim will be determined at the Final Hearing. Notwithstanding the foregoing, PaymentOne
 27 (and any other Alleged Cash Collateral Secured Creditor beneficiary of this Order), reserves
 28

1 statutory rights it may have as a matter of law under Bankruptcy Code section 507(b) or any other
 2 provision of the Bankruptcy Code, and the Debtor and its bankruptcy estate reserve all defenses
 3 thereto. This Order is valid immediately and is fully effective upon its entry.

4 2. Oppositions to the Motion, including without limitation the Oppositions, as
 5 well as any other oppositions filed with the Court prior to the November 2 Interim Hearing or
 6 raised at the November 2 Interim Hearing, to the extent not withdrawn, are overruled.

7 3. The Debtor may use Cash Collateral in which PaymentOne has an alleged
 8 interest in accordance with the First Amended PaymentOne Stipulation as revised by this Order.

9 4. The Debtor is authorized to pay PaymentOne the Pipeline Collection
 10 Property in accordance with the terms and conditions of the First Amended PaymentOne
 11 Stipulation as revised by this Order and the October 11 Weber Declaration including its attached
 12 Budget filed in this Bankruptcy Case.

13 5. PaymentOne is granted, pursuant to Bankruptcy Code sections 361(2) and
 14 363(e), valid, perfected and enforceable replacement liens upon all post-petition property of the
 15 Debtor of the same type and character of any pre-petition property as to which PaymentOne had
 16 valid, perfected and enforceable security interests or liens (including any proceeds thereof to the
 17 extent that PaymentOne had valid, perfected and enforceable pre-petition security interests or pre-
 18 petition liens in proceeds). Notwithstanding anything to the contrary contained in the First
 19 Amended PaymentOne Stipulation or this Order, the replacement liens granted to PaymentOne
 20 shall not include any Bankruptcy Code chapter 5 avoidance actions or the proceeds thereof. The
 21 replacement liens granted to PaymentOne shall be automatically perfected pursuant to this Order
 22 and PaymentOne shall not be required to take any further action to perfect such liens.

23 6. PaymentOne's replacement liens on the post-petition property shall have the
 24 same priority vis-a-vis other liens and interests as PaymentOne's pre-petition liens and security
 25 interests have vis-a-vis such other liens and interests. The replacement liens granted to
 26 PaymentOne by this Order are intended to preserve PaymentOne's position vis-a-vis the Debtor
 27 and other creditors of the estate so that PaymentOne's position vis-a-vis the Debtor and such other

1 creditors is neither diminished nor enhanced by Debtor's use of Cash Collateral and PaymentOne's
 2 receipt of replacement liens.

3 7. The replacement liens granted to PaymentOne shall be subordinated from
 4 the Petition Date until further order of the Court to any allowed on an interim or final basis
 5 expenses of this bankruptcy case including without limitation any allowed on an interim or final
 6 basis fees and expenses of professionals retained by the Debtor and any official committee
 7 appointed in this bankruptcy case as well as those of any trustee subsequently appointed in the
 8 bankruptcy case and such trustee's professionals, subject to the terms and conditions set forth in
 9 the First Amended PaymentOne Stipulation, but amended for the time period up to and including
 10 November 16, 2007 to strike the following language from Paragraph 8 of the First Amended
 11 PaymentOne Stipulation: ", but only to the extent such fees and expenses are provided for in the
 12 Budget and were actually incurred before this First Amended Stipulation terminated."

13 8. Notwithstanding anything to the contrary set forth in this Order, this Order
 14 does not determine whether PaymentOne has any valid, perfected or enforceable prepetition liens
 15 or security interests in the Cash Collateral or any of the Debtor's other assets, and both the Debtor
 16 and PaymentOne reserve all rights and defenses with respect thereto. The replacement liens
 17 granted to PaymentOne in consideration of its asserted prepetition liens pursuant to this Order are
 18 effective only to the extent that PaymentOne's prepetition liens in the Cash Collateral are valid,
 19 perfected and enforceable.

20 9. The Debtor may use Cash Collateral in which POL has an alleged interest.

21 10. POL is granted, pursuant to Bankruptcy Code sections 361(2) and 363(e),
 22 valid, perfected and enforceable replacement liens upon all post-petition property of the Debtor of
 23 the same type and character of any pre-petition property as to which POL had valid, perfected and
 24 enforceable security interests or liens, but only to the extent of Cash Collateral used by the Debtor.
 25 Notwithstanding anything to the contrary contained in this Order, the replacement liens granted to
 26 POL shall not include any Bankruptcy Code chapter 5 avoidance actions or the proceeds thereof.
 27 The replacement liens granted to POL shall be automatically perfected pursuant to this Order and

1 POL shall not be required to take any further action to perfect such liens.

2 11. POL's replacement liens on the post-petition property shall have the same
 3 priority vis-a-vis other liens and interests as POL's pre-petition liens and security interests have
 4 vis-a-vis such other liens and interests. The replacement liens granted to POL by this Order are
 5 intended to preserve POL's position vis-a-vis the Debtor and other creditors of the estate so that
 6 POL's position vis-a-vis the Debtor and such other creditors is neither diminished nor enhanced by
 7 Debtor's use of Cash Collateral and POL's receipt of replacement liens.

8 12. The replacement liens granted to POL shall be subordinated from the
 9 Petition Date until further order of the Court to any allowed on an interim or final basis expenses
 10 of this bankruptcy case including without limitation any allowed on an interim or final basis fees
 11 and expenses of professionals retained by the Debtor and any official committee appointed in this
 12 bankruptcy case as well as those of any trustee subsequently appointed in the bankruptcy case and
 13 such trustee's professionals.

14 13. Notwithstanding anything to the contrary set forth in this Order, this Order
 15 does not determine whether POL has any valid, perfected or enforceable prepetition liens or
 16 security interests in the Cash Collateral or any of the Debtor's other assets, and both the Debtor
 17 and POL reserve all rights and defenses with respect thereto. The replacement liens granted to
 18 POL pursuant to this Order are effective only to the extent that POL's prepetition liens in the Cash
 19 Collateral are valid, perfected and enforceable.

20 14. The Debtor may use Cash Collateral in which Network Telephone has an
 21 alleged interest.

22 15. Network Telephone is granted, pursuant to Bankruptcy Code
 23 sections 361(2) and 363(e), valid, perfected and enforceable replacement liens upon all post-
 24 petition property of the Debtor of the same type and character of any pre-petition property as to
 25 which Network Telephone had valid, perfected and enforceable security interests or liens, but only
 26 to the extent of Cash Collateral used by the Debtor. Notwithstanding anything to the contrary
 27 contained in this Order, the replacement liens granted to Network Telephone shall not include any

1 Bankruptcy Code chapter 5 avoidance actions or the proceeds thereof. The replacement liens
 2 granted to Network Telephone shall be automatically perfected pursuant to this Order and
 3 Network Telephone shall not be required to take any further action to perfect such liens.

4 16. Network Telephone's replacement liens on the post-petition property shall
 5 have the same priority vis-a-vis other liens and interests as Network Telephone's pre-petition liens
 6 and security interests have vis-a-vis such other liens and interests. The replacement liens granted
 7 to Network Telephone by this Order are intended to preserve Network Telephone's position vis-a-
 8 vis the Debtor and other creditors of the estate so that Network Telephone's position vis-a-vis the
 9 Debtor and such other creditors is neither diminished nor enhanced by Debtor's use of Cash
 10 Collateral and Network Telephone's receipt of replacement liens.

11 17. The replacement liens granted to Network Telephone shall be subordinated
 12 from the Petition Date until further order of the Court to any allowed on an interim or final basis
 13 expenses of this bankruptcy case including without limitation any allowed on an interim or final
 14 basis fees and expenses of professionals retained by the Debtor and any official committee
 15 appointed in this bankruptcy case as well as those of any trustee subsequently appointed in the
 16 bankruptcy case and such trustee's professionals.

17 18. Notwithstanding anything to the contrary set forth in this Order, this Order
 18 does not determine whether Network Telephone has any valid, perfected or enforceable
 19 prepetition liens or security interests in the Cash Collateral or any of the Debtor's other assets, and
 20 both the Debtor and Network Telephone reserve all rights and defenses with respect thereto. The
 21 replacement liens granted to Network Telephone pursuant to this Order are effective only to the
 22 extent that Network Telephone's prepetition liens in the Cash Collateral are valid, perfected and
 23 enforceable.

24 19. The Debtor may use Cash Collateral in which Personal Voice has an alleged
 25 interest.

26 20. Personal Voice is granted, pursuant to Bankruptcy Code sections 361(2) and
 27 363(e), valid, perfected and enforceable replacement liens upon all post-petition property of the

1 Debtor of the same type and character of any pre-petition property as to which Personal Voice had
 2 valid, perfected and enforceable security interests or liens, but only to the extent of Cash Collateral
 3 used by the Debtor. Notwithstanding anything to the contrary contained in this Order, the
 4 replacement liens granted to Personal Voice shall not include any Bankruptcy Code chapter 5
 5 avoidance actions or the proceeds thereof. The replacement liens granted to Personal Voice shall
 6 be automatically perfected pursuant to this Order and Personal Voice shall not be required to take
 7 any further action to perfect such liens.

8 21. Personal Voice's replacement liens on the post-petition property shall have
 9 the same priority vis-a-vis other liens and interests as Personal Voice's pre-petition liens and
 10 security interests have vis-a-vis such other liens and interests. The replacement liens granted to
 11 POL by this Order are intended to preserve Personal Voice's position vis-a-vis the Debtor and
 12 other creditors of the estate so that Personal Voice's position vis-a-vis the Debtor and such other
 13 creditors is neither diminished nor enhanced by Debtor's use of Cash Collateral and Personal
 14 Voice's receipt of replacement liens.

15 22. The replacement liens granted to Personal Voice shall be subordinated from
 16 the Petition Date until further order of the Court to any allowed on an interim or final basis
 17 expenses of this bankruptcy case including without limitation any allowed on an interim or final
 18 basis fees and expenses of professionals retained by the Debtor and any official committee
 19 appointed in this bankruptcy case as well as those of any trustee subsequently appointed in the
 20 bankruptcy case and such trustee's professionals.

21 23. Notwithstanding anything to the contrary set forth in this Order, this Order
 22 does not determine whether Personal Voice has any valid, perfected or enforceable prepetition
 23 liens or security interests in the Cash Collateral or any of the Debtor's other assets, and both the
 24 Debtor and Personal Voice reserve all rights and defenses with respect thereto. The replacement
 25 liens granted to Personal Voice pursuant to this Order are effective only to the extent that Personal
 26 Voice's prepetition liens in the Cash Collateral are valid, perfected and enforceable.

27 24. The Debtor may use Cash Collateral in which Public Communication has an

1 alleged interest.

2 25. Public Communication is granted, pursuant to Bankruptcy Code
 3 sections 361(2) and 363(e), valid, perfected and enforceable replacement liens upon all post-
 4 petition property of the Debtor of the same type and character of any pre-petition property as to
 5 which Public Communication had valid, perfected and enforceable security interests or liens, but
 6 only to the extent of Cash Collateral used by the Debtor. Notwithstanding anything to the contrary
 7 contained in this Order, the replacement liens granted to Public Communication shall not include
 8 any Bankruptcy Code chapter 5 avoidance actions or the proceeds thereof. The replacement liens
 9 granted to Public Communication shall be automatically perfected pursuant to this Order and
 10 Public Communication shall not be required to take any further action to perfect such liens.

11 26. Public Communication's replacement liens on the post-petition property
 12 shall have the same priority vis-a-vis other liens and interests as Public Communication's pre-
 13 petition liens and security interests have vis-a-vis such other liens and interests. The replacement
 14 liens granted to Public Communication by this Order are intended to preserve Public
 15 Communication's position vis-a-vis the Debtor and other creditors of the estate so that Public
 16 Communication's position vis-a-vis the Debtor and such other creditors is neither diminished nor
 17 enhanced by Debtor's use of Cash Collateral and Public Communication's receipt of replacement
 18 liens.

19 27. The replacement liens granted to Public Communication shall be
 20 subordinated from the Petition Date until further order of the Court to any allowed on an interim
 21 or final basis expenses of this bankruptcy case including without limitation any allowed on an
 22 interim or final basis fees and expenses of professionals retained by the Debtor and any official
 23 committee appointed in this bankruptcy case as well as those of any trustee subsequently
 24 appointed in the bankruptcy case and such trustee's professionals.

25 28. Notwithstanding anything to the contrary set forth in this Order, this Order
 26 does not determine whether Public Communication has any valid, perfected or enforceable
 27 prepetition liens or security interests in the Cash Collateral or any of the Debtor's other assets, and

1 both the Debtor and Public Communication reserve all rights and defenses with respect thereto.
2 The replacement liens granted to Public Communication pursuant to this Order are effective only
3 to the extent that Public Communication's prepetition liens in the Cash Collateral are valid,
4 perfected and enforceable.

29. The use of Cash Collateral shall be in the amounts, and for the purposes, set forth on the Budget. Notwithstanding anything to the contrary in the First Amended PaymentOne Stipulation or this Order, to the extent that the Debtor does not spend the full amount of funds which it is authorized to spend in the Budget for a given week period, the Debtor does not "lose" the right to spend thereafter such unused funds, but instead the Debtor may spend such unused funds in a subsequent week period(s) in addition to whatever additional funds the Debtor is authorized to spend in that subsequent week period(s) as provided in the Budget.

30. The Court shall hold the Final Hearing on the Motion including the First Amended PaymentOne Stipulation on _____, 2007 at ___:__m.

31. The Debtor shall, on or before _____, 2007, serve by U.S. mail and email service to the extent that the Debtor's counsel has an email address for any party or its counsel, a copy of this Order and a notice regarding the Final Hearing, to (i) the parties having been given notice of the November 2 Interim Hearing, and (ii) any other party ordered by the Court or who has filed with the Court and served on the Debtor's counsel a request for service pursuant to Bankruptcy Rule 2002. Such notice shall state that any party in interest objecting to the approval of the Motion on a final basis shall file a written objection with the Court no later than _____, 2007, which objection shall be filed with the Court and served so that it is received on or before 5:00 p.m. (Pacific Time) of such date by the Debtor's counsel, the Committee's counsel, and the Office of the United States Trustee at the following contact information:

Counsel to Debtor:

Sheppard, Mullin, Richter & Hampton LLP
Four Embarcadero Center, Suite 1700
San Francisco, CA 94111

1 Attn: Michael H. Ahrens, Esq.
2 Jeffrey K. Rehfeld, Esq.
3 Ori Katz, Esq.
4 Email: mahrens@sheppardmullin.com
jrehfeld@sheppardmullin.com
okatz@sheppardmullin.com

5 Counsel to Committee:

6 Pachulski Stang Ziehl Young & Jones LLP
7 150 California Street, 15th Floor
8 San Francisco, CA 94111-4500
Attn: John D. Fiero, Esq.
Maxim B. Litvak, Esq.
Email: jfiero@pzjl.com
mlitvak@pzjl.com

11 Office of the United States Trustee:

12 Office of the United States Trustee
13 280 S. First Street, Suite 268
14 San Jose, CA 94113-0002
Attn: John Wesolowski, Esq.
Facsimile: (408) 535-5525

15 32. If a timely objection is filed, served and received, a written reply thereto
16 shall not be required but may be filed with the Court and served so that it is received by the
17 objecting party no later than _____, 2007 on or before 11:59 p.m. (Pacific Time).
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19 ** END OF ORDER **
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COURT SERVICE LIST

Office of the U.S. Trustee
 Office of the U.S. Trustee
 Attn: Edwina Dowell, Esq.
 280 South First Street, Room 268
 San Jose, CA 95113

The Billing Resource dba Integretel
 The Billing Resource dba Integretel
 Attn: Ken Dawson
 5883 Rue Ferrari
 San Jose, CA 95138

Proposed counsel for The Billing Resource dba Integretel

The Billing Resource dba Integretel
 c/o Sheppard, Mullin, Richter & Hampton LLP
 Attn: Michael H. Ahrens, Esq.
 4 Embarcadero Center, 17th Floor
 San Francisco, CA 94111-4106

Counsel for PaymentOne Corporation
 PaymentOne Corporation
 c/o O'Melveny & Myers LLP
 Attn: Steve Warren, Esq.
 400 South Hope Street
 Los Angeles, CA 90071-2899

POL, Inc.
 POL, Inc.
 c/o Joel R. Dichter, Esq.
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 10 Rockefeller Plaza, Suite 816
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 Fax: (212) 757-5002

POL, Inc.
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 Diemer, Whitman & Cardosi
 75 East Santa Clara Street, Suite 290
 San Jose, CA 95113

Personal Voice, Inc.
 Personal Voice, Inc.
 Attn: David Giorgione
 16807 A U.S. Highway 19 North, Suite A
 Clearwater, FL 33764

Personal Voice, Inc.
 Attn: Thomas C. Little

1 (Registered Agent for Service of Process)
 2 2123 NE Coachman Rd., Suite A
 2 Clearwater, FL 33765

3 Network Telephone Services, Inc.
 4 Network Telephone Services, Inc.
 4 Attn: Daniel Coleman, Esq.
 5 21135 Erwin Street
 5 Woodland Hills, CA 91367

6 Ellen Friedman, Esq.
 7 Elaine Hammond, Esq.
 7 Friedman, Dumas & Springwater LLP
 8 150 Spear Street, Suite 1600
 8 San Francisco, CA 94105

9 Public Communication Services, Inc.
 10 Public Communication Services, Inc.
 10 Attn: Leslie Cohen, Esq.
 11 Liner Yankelvitz Sunshine & Regenstreif LLP
 11 1100 Glendon Avenue, 14th Floor
 12 Los Angeles, CA 90024-3503

13 The Receiver David Chase
 14 Walter Oetzell, Esq.
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 27 W. Timothy Miller, Esq.
 28 Taft Stettinius & Hollister LLP

1 425 Walnut Street, Suite 1800
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2 Certain Creditors

3 Peter Benvenutti, Esq.
4 Michaeline H. Correa, Esq.
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5 San Francisco, CA 94104-2878

6 Email Discount Network and Intelicom Messaging

7 c/o David M. Goodrich, Esq.
7700 Irvine Center Drive, Suite 800
Irvine, CA 92618

8 Austin P. Nagel, Esq.
9 Law Offices of Austin P. Nagel
10 111 Deerwood Place, Suite 338
San Ramon, California 94583

11 Official Creditors' Committee

12 John Fiero, Esq.
Pachulski, Stang, Ziehl, Young & Jones
13 150 California Street, 15th Floor
San Francisco, CA 94111-4500

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